

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 456 – SB1473

March 14, 2021

SUMMARY OF BILL: Authorizes political subdivisions and instrumentalities of the state of Tennessee, with at least 1,000 employees, to implement, adopt, or administer an automatic deferred or tax-sheltered compensation plan for their employees.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Pursuant to Tenn. Code Ann. § 8-25-103(a), “The state of Tennessee or any Tennessee political subdivision or instrumentality of such subdivision may, by contract, agree with any employee to defer, in whole or in part, any portion of that employee's income and may subsequently purchase or contract with any company licensed to do business in this state to provide a deferred compensation plan, as requested by the employee.”
- Because the Tennessee Department of Treasury and the Tennessee Consolidated Retirement System already administers 401(k) and 457(b) plans in which political subdivisions and instrumentalities of this state may participate, it is estimated that any fiscal impact as a result of this proposed legislation will be not significant.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- The proposed legislation pertains to government entities; therefore, any impact to private businesses, jobs, or commerce is determined to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

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